



General Assembly

Substitute Bill No. 155

February Session, 2016

* _____SB00155HSG_____031016_____*

***AN ACT CONCERNING THE ALLOCATION OF LOW INCOME
HOUSING TAX CREDITS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2016*) (a) For purposes of this
2 section, "opportunity areas" means those areas so designated by the
3 Department of Housing; "feasible proposal" means a proposal
4 demonstrating a strong likelihood of initiating construction within
5 twelve months of a tax credit being awarded in accordance with
6 subsection (b) of this section; and "catalytic proposal" means a
7 proposal that is part of a neighborhood plan predicted to enhance
8 economic development in the neighborhood as demonstrated through
9 market analysis and do not increase neighborhood poverty levels.

10 (b) The Connecticut Housing Finance Authority shall design the
11 Qualified Allocation Plan of the Low Income Housing Tax Credit
12 program, Section 42 of the Internal Revenue Code of 1986, or any
13 subsequent corresponding internal revenue code of the United States,
14 as amended from time to time, to create priority tiers in accordance
15 with the following: (1) Non-age-restricted feasible proposals in high or
16 very high opportunity areas shall be given priority consideration for at
17 least sixty per cent of such credits; and (2) catalytic proposals that are
18 feasible proposals in very low, low or moderate opportunity areas,
19 including Qualified Census Tracts, as defined by 26 USC 42(d)(5)(B)(ii)

20 shall be given priority consideration for at least twenty-five per cent of
21 such credits. If credits are not allocated pursuant to subdivisions (1)
22 and (2) of this subsection due to an insufficient number of qualified
23 proposals in any allocation round, then any remaining credits shall be
24 made available during the same allocation round to the general pool of
25 applicants in accordance with the priorities determined by the
26 Connecticut Housing Finance Authority regardless of opportunity
27 designation.

This act shall take effect as follows and shall amend the following sections:		
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Section 1	<i>October 1, 2016</i>	New section
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Statement of Legislative Commissioners:

In Subsec. (b), Subdivs. (1) and (2) were redrafted to accurately incorporate the terms defined in Subsec. (a).

HSG *Joint Favorable Subst.*